



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4
ATLANTA FEDERAL CENTER
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ATLANTA, GEORGIA 30303-8960

March 6, 2000

4APT-ARB

Howard L. Rhodes, Director
Air Resources Management Division
Florida Department of Environmental Protection
Mail Station 5500
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

SUBJ: EPA's Review of Proposed Title V Permit
Stone Container Corporation
Panama City Mill
Permit No. 0050009-002-AV

Dear Mr. Rhodes:

The purpose of this letter is to provide comments to the Florida Department of Environmental Protection (DEP) on the proposed title V operating permit for Stone Container Corporation, Panama City Mill, which was posted on DEP's web site on January 21, 2000. Based on the Environmental Protection Agency's (EPA's) review of the proposed permit and the supporting information for this facility, EPA formally objects, under the authority of Section 505(b) of the Clean Air Act (the Act) and 40 C.F.R. § 70.8(c) (see also Florida Regulation 62-213.450), to the issuance of the title V permit for this facility. The basis of EPA's objection is that the permit does not fully meet the periodic monitoring requirements of 40 C.F.R. § 70.6(a)(3)(i), and does not contain all the applicable requirements for the source.

Section 70.8(c) requires EPA to object to the issuance of a proposed permit in writing within 45 days of receipt of the proposed permit (and all necessary supporting information) if EPA determines that the permit is not in compliance with the applicable requirements under the Act or 40 C.F.R. Part 70. Section 70.8(c)(4) and Section 505(c) of the Act further provide that if the State fails to revise and resubmit a proposed permit within 90 days to satisfy the objection, the authority to issue or deny the permit passes to EPA and EPA will act accordingly. Because the objection issues must be fully addressed within the 90 days, we suggest that the revised permit be submitted in advance in order that any outstanding issues may be addressed prior to the expiration of the 90-day period.

Pursuant to 40 C.F.R. § 70.8(c), this letter and its enclosure contain a detailed explanation of the objection issues and the changes necessary to make the permit consistent with the requirements of 40 C.F.R. Part 70. The enclosure also contains general comments applicable to the permit.

If you have any questions or wish to discuss this further, please contact Mr. Gregg Worley, Chief, Operating Source Section at (404) 562-9141. Should your staff need additional information they may contact Ms. Gracy R. Danois, Florida Title V Contact, at (404) 562-9119, or Ms. Lynda Crum, Associate Regional Counsel, at (404) 562-9524.

Sincerely,

/s/ Douglas Neeley, for

Winston A. Smith
Director
Air, Pesticides and Toxics
Management Division

Enclosure

cc: Mr. Jack. B. Prescott, General Manager
Stone Container Corporation

Enclosure

**U.S. EPA Region 4 Objection
Proposed Part 70 Operating Permit
Stone Container Corporation
Panama City Mill
Permit no. 0050009-002-AV**

I. EPA Objection Issues

1. Applicable Requirements - Subpart S: Section II, condition 12 of the permit establishes that the facility shall comply with the requirements of Part 63, subpart S. However, the permit fails to incorporate the applicable subpart S requirements. All applicable requirements for the source must be included in the Title V permit. Subpart S became effective on April 15, 1998, and the mill has been required to comply with several items of the rule since then. For example, the mill was required to submit an initial notification report on April 15, 1999, and to submit updates to the report every two years until the source achieves compliance with the requirements of Subpart S. Also, the mill is subject to the requirements of Subpart S, Table 1, which outlines the applicable portions of Part 63, Subpart A, General Provisions. At a minimum, these conditions must be in the permit along with a requirement to submit a permit modification request within a specified time frame before the compliance date of the compliance option selected by the facility.

In addition, permitting authorities should incorporate as many applicable standards and monitoring, reporting and recordkeeping requirements from Subpart S as possible. For example, the requirements for LVHC systems can be included in the permit, as well as any other requirements for which the facility has already decided upon a compliance option to follow, even if the requirements will become effective at some point after permit issuance. The permit should establish when the source is expected to begin demonstrating continuous compliance with the requirements. Any changes to specific parameters listed under a compliance option may be incorporated by minor permit modification.

The statement of basis should also contain a description of the compliance option being considered by the facility, the compliance status of the facility at the time of permit issuance, and the expected date for compliance to be achieved. A note could be added to this information to clarify that the information given is non-binding and that changes to the schedule may take place.

2. Periodic Monitoring - Capacity: Conditions A.1, B.1, C.1, D.1, E.1, F.1, G.1, H.1, and I.1 specify the maximum capacity for the units at this facility. In previous title V permits, FDEP has included a permitting note with these requirements clarifying that these conditions are not included as limits, but as a basis for determining the percent capacity of the units during source testing. If

this is the case, please add a permitting note to each of the conditions to clarify this; otherwise periodic monitoring requirements sufficient to assure compliance with these limitations need to be included in the permit.

3. Periodic Monitoring - Particulate Matter: The permit does not contain adequate periodic monitoring for particulate matter emissions from units 004, 015, 016, 020 and 021. Although condition K.1 of the Common Conditions requires that compliance tests for particulate matter be conducted, testing once per year is not sufficient to provide a reasonable assurance of compliance with the particulate matter emission limits. All Title V permits must contain monitoring that is sufficient to assure compliance with the applicable permit requirements. In particular, 40 C.F.R. Part 70.6 (a)(3)(B) requires that permits include periodic monitoring that is sufficient to yield reliable data from the relevant time period that are representative of the source's compliance with the applicable emission limits. In addition to demonstrating compliance, a system of periodic monitoring will also provide the source with an indication of their emission unit's performance, so that periods of excess emissions and violations of the emission limits can be minimized or avoided.

Since each emission unit is equipped with a control device to control particulate matter emissions, the source should utilize parametric monitoring of the control equipment to fulfill the periodic monitoring requirement for particulate matter emissions from these emission units. A correlation should be developed between the control equipment parameter(s) to be monitored and particulate emission levels. The source must provide an adequate demonstration (historical data, performance test, etc.) to support the approach used. In addition, an acceptable performance range for each parameter that is to be monitored should be established. The range, or the procedure used to establish the parametric ranges that are representative of proper operation of the control equipment, and the frequency for re-evaluating the range must be specified in the permit. Also, the permit must include a condition requiring a performance test to be conducted if an emission unit operates outside of the acceptable range for any monitoring.

Regarding units 001, 005 and 019, the permit specifies parametric monitoring that may be indicative of the compliance status with the particulate matter limit for the unit. However, the statement of basis fails to describe how the parameters selected and the numeric values assigned to them correlate to the particulate matter emissions from the units. To resolve this deficiency, the statement of basis must contain an adequate demonstration (historical data, performance test, etc.) to support the numeric values being used to assure compliance with the particulate matter limitation. As we noted above, the range, or the procedure used to establish the parametric ranges that are representative of proper operation of the

control equipment, and the frequency for re-evaluating the ranges must be specified in the permit. Also, the permit must include a condition requiring a performance test to be conducted if an emission unit operates outside of the acceptable range for any monitoring.

4. Periodic Monitoring - Visible Emissions: Conditions A.5, B.5, C.6, D.5, E.6 and J.3 of the permit require that Method 9 tests be conducted annually or by request of the permitting authority. Condition I.4 requires that a Method 9 be conducted upon permit renewal. In most cases, these approaches do not constitute adequate periodic monitoring to ensure continuous compliance with the visible emissions standard. Since these units have control equipment, it may be assumed that under normal operating conditions, no opacity may be observed. If this is the case, the permit should require the source to conduct visible emissions observations on a daily basis (Method 22), and that a Method 9 test be conducted within 24 hours of any abnormal qualitative survey. However, if the units normally operate under conditions where opacity can be observed, then the permit must require that Method 9 testing be conducted on a frequent basis.

As an alternative to the approaches described above, a technical demonstration can be included in the statement of basis explaining why the State has chosen not to require any additional visible emissions testing for these units. The demonstration needs to identify the rationale for basing the compliance certification on data from a short-term test performed once a year.

5. Periodic Monitoring - Sulfur Content: Conditions A.2, B.2, C.2 and E.2, require that records of the sulfur content for each shipment of fuel be maintained. However, the sulfur content should be measured on an as fired basis rather than upon delivery. As a result of storage time and mixing of fuels, the fuel characteristics may change between the time of delivery and the time at which it is to be fired. This may result in emissions of sulfur dioxide that could not be correlated to the sulfur content of the fuel at the time of its purchase. Therefore, the permit must require that fuel records reflect the sulfur content of the fuel on an as fired basis or a description needs to be added to the statement of basis supporting the current approach in the permit.
6. Periodic Monitoring - Combustion of NCG: Condition H.3 requires that Non-Condensable Gases (NCGs) from the batch digesters, blow tanks, accumulator tank, and turpentine condenser system be destroyed by combusting those compounds at a minimum temperature of 1200°F for a retention time of 0.5 seconds. Since the lime kiln is used as the primary device for the control of NCGs, the kiln is required to maintain a temperature of at least 1200°F and combust the NCGs for at least 0.5 seconds. Therefore, in order to provide for adequate periodic monitoring, the temperature of the lime kiln must be monitored.

Additionally, in order to provide an assurance that the required retention time will be achieved, the permit must either indicate that the lime kiln is designed so that the retention time will never be less than 0.5 seconds, or the source must continuously monitor the flow rate of NCGs through the kiln in order to demonstrate that the retention time requirement is met.

According to the permit, combination boiler no. 4 (unit 016) is also used for the combustion of NCGs. Therefore, the permit or the statement of basis must explain how the boiler complies with the 0.5 seconds minimum residence time, or periodic monitoring requirements sufficient to assure compliance with this requirement must be included in the permit.

7. Appropriate Averaging Times: In order for the emissions standard for particulate matter contained in conditions A.7, B.7, and C.7 to be practicably enforceable, the appropriate averaging time must be specified in the permit. An approach that can be used to address this deficiency is to include general language in the permit to indicate that the averaging times for all specified emission standards are tied to or based on the run time of the test method(s) used for determining compliance.
8. Periodic Monitoring - Sulfur Dioxide: Condition C.14 of the permit establishes that, when firing 100% fuel oil and /or incinerating TRS gases, the pH of the scrubbing medium should be maintained above 8. However, the statement of basis fails to describe how the parameter selected and the numeric value assigned to it correlate to the sulfur dioxide emissions from the unit. To resolve this deficiency, the statement of basis must contain an adequate demonstration (historical data, performance test, etc.) to support the pH value being used to assure compliance with the sulfur dioxide limitation. The range, or the procedure used to establish the parametric ranges that are representative of proper operation of the control equipment, and the frequency for re-evaluating the range must be specified in the permit. Also, the permit must include a condition requiring a performance test to be conducted if an emission unit operates outside of the acceptable range for any monitoring.
9. Periodic Monitoring - TRS: Condition D.10 of the permit establishes that the source must maintain the pre-demister weak wash injection fluid at a minimum of 20 and 40.8 gal/min based on a 12-hr average, for unit 021 and 020, respectively. However, the statement of basis fails to describe the basis for the parametric values selected and how they correlate to the TRS emissions from the unit. To resolve this deficiency, the statement of basis must contain an adequate demonstration (historical data, performance test, etc.) to support the flow rate values being used to assure compliance with the sulfur dioxide limitation. The range, or the procedure used to establish the parametric ranges that are representative of proper operation of the control equipment, and the frequency for

re-evaluating the range must be specified in the permit. Also, the permit must include a condition requiring a performance test to be conducted if an emission unit operates outside of the acceptable range for any monitoring.

10. Periodic Monitoring - TRS: Condition D.4 states that the emission of total reduced sulfur from each smelt dissolving tank shall not exceed 0.048 pounds per 3000 pounds of black liquor solids as hydrogen sulfide. However, the permit does not require the source to keep records of the black liquor solids throughput for each smelt dissolving tank. In order to determine compliance with the TRS limit, the amount of black liquor solids processed will be required. Therefore, the permit must contain a condition that requires the source to keep records of the amount of black liquor solids sent through each smelt dissolving tank.
11. Federally Enforceable Requirements: Section II, conditions # 7 and # 8 consist of control and work practice standards for VOCs and particulate matter, respectively. These conditions are labeled as “not federally enforceable.” However, these conditions are federally enforceable because they are contained in the federally approved portion of the Florida SIP. Therefore, the permit must be changed to reflect that these conditions are federally enforceable.

II General Comments

1. General Comment: Please note that our opportunity for review and comment on this permit does not prevent EPA from taking enforcement action for issues that have not been raised in these comments. After final issuance, this permit shall be reopened if EPA or the permitting authority determines that it must be revised or revoked to assure compliance with applicable requirements.
2. General Comments: The description of the facility contained in the statement of basis mentions that the facility contains paper machines, however the permit does not contain any requirements concerning the paper making operations. Please clarify whether methanol emissions at the paper making facility have been quantified and whether the paper making operation is a major source of HAPs.
3. Compliance Certification: Section II, condition 11 of the permit should specifically reference condition 51 of Appendix TV-3, which lists the compliance certification requirements of 40 C.F.R. §70.6(c)(5)(iii), to ensure that complete certification information is submitted to EPA.
4. Section III, Conditions B.2 and C.2: These conditions require that records of the %S of the fuels delivered to the facility be maintained. The conditions are silent as to whether the source is required to maintain records of the carbonaceous fuels being used, however, a note seems to imply that records of these fuels should be

maintained. If the latter is the case, please clarify the condition to explicitly require that records of carbonaceous fuels be maintained.

5. Section III, Condition D.10: This condition states that compliance with the TRS standard will be demonstrated by maintaining the pre-demister weak wash injection fluid at a minimum of 20 and 40.8 gallons per minute based on a 12-hour average for the No. 1 and No. 2 smelt dissolving tanks, respectively. The control device for this emission unit is a mist eliminator. However, it is unclear how the pre-demister relates to the mist eliminator. Please clarify the relationship between the pre-demister and the mist eliminator. In addition, please clarify why the weak wash flow rates for each unit are significantly different, while the smelt dissolving tanks appear to be identical in capacity.
6. Section III, Condition K.5: These conditions address the occurrence of excess emissions from all emission units. More specifically, excess emission resulting from malfunction are permitted provided that best operational practices to minimize emission are adhered to and the duration of excess emissions are minimized. EPA has recently addressed the issue of excess emissions in a September 20, 1999, policy memorandum from Steven A. Herman, Assistant Administrator for Enforcement and Compliance Assurance and Robert Perciasepe, Assistant Administrator for Air and Radiation. This memo reaffirms and supplements the EPA's original policy regarding excess emissions during malfunction, startup, shutdown, and maintenance, which is contained in memoranda from Kathleen Bennett, formerly Assistant Administrator for Air, Noise and Radiation dated September 28, 1982, and February 15, 1983. The permit conditions that address excess emissions should be consistent with EPA's policy.